

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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BILL DRAFT 2019-MUZ-38 [v.4]

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
3/31/2020 10:00:41 AM

Short Title: GSC Clarifying Bingo License Statute.

(Public)

Sponsors:

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THE BINGO LICENSE STATUTE, AS RECOMMENDED BY THE
3 GENERAL STATUTES COMMISSION.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 14-309.7 reads as rewritten:

6 "§ 14-309.7. Licensing procedure.

7 (a) An exempt organization ~~may~~shall not operate a bingo game at a location without a
8 license. Application for a bingo license shall be made to the State Bureau of Investigation on a
9 form prescribed by the Bureau. The Bureau shall charge an annual application fee of two hundred
10 dollars (\$200.00) to defray the cost of issuing bingo licenses and handling bingo audit reports.
11 The fees collected shall be deposited in the General Fund of the State. ~~This~~The license shall
12 expire one year after ~~the granting of the license. This license issuance and~~ may be renewed ~~yearly,~~
13 annually if the applicant pays the application fee and files an audit with the Bureau pursuant to
14 G.S. 14-309.11. A copy of the application and license shall be furnished to the local
15 law-enforcement agency in the county or municipality in which the licensee intends to operate
16 before bingo is conducted by the licensee.

17 (b) Each application and renewal application shall contain the following information:

- 18 (1) The name and address of the applicant and if the applicant is a corporation,
19 ~~association~~association, or other similar legal entity, the name and home
20 address of each of the officers of the organization as well as the name and
21 address of the directors, or other persons similarly situated, of the
22 organization.
23 (2) The name and home address of each ~~of the members~~member of the special
24 ~~committee~~committee described in G.S. 14-309.10.
25 (3) A copy of the application for recognition of exemptions and a determination
26 letter from the Internal Revenue Service and the Department of Revenue that
27 indicates ~~that the~~ ~~organization applicant~~ is an exempt organization and stating
28 the section under which that exemption is ~~granted; except that if granted. If~~
29 ~~the organization applicant~~ is a State or local branch, lodge, post, or chapter of
30 a national organization, a copy of the determination letter of the national
31 organization satisfies this requirement.
32 (4) The location at which the applicant will conduct the bingo games. If the
33 premises are leased, a copy of the lease or rental agreement.



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(c) In order for an exempt organization to have a member familiar with the operation of bingo present on the premises at all times when bingo is being played and for this member to be responsible for the receiving, ~~reporting-reporting~~, and depositing of all revenues received, the exempt organization may pay one member for conducting a bingo game. ~~Such-The~~ pay shall be on an hourly basis only for the time bingo is actually being played and shall not exceed one and one-half times the existing minimum wage in North Carolina. The member paid under this ~~provision-subsection~~ shall be a member in good standing of the exempt organization for at least one year and shall not be the lessor or an employee or agent of the lessor. No other person ~~may~~ shall be compensated for conducting a bingo game from funds derived from any activities occurring in, or simultaneously with, the playing of bingo, including funds derived from concessions. An exempt organization shall not contract with any person for the purpose of conducting a bingo game.

(c1) Except as provided in subsection (e) of this section, an exempt organization may hold a bingo game only in or on property ~~owned (either legally or equitably and the buildings must be of a permanent nature with approved plumbing for bathrooms and not movable or of a temporary nature such as a tent or lean-to) owned, either legally or equitably, or leased-leased, but not subleased~~, by the organization from the owner or bona fide property management ~~agent (no subleasing is permitted)-agent~~. ~~The buildings shall be permanent with approved plumbing for bathrooms and shall not be movable or temporary such as a tent or lean-to. at a total monthly rental in an amount not to exceed one and one-quarter percent (1 1/4%) of the total assessed ad valorem tax value of the portion of the building actually used for the bingo games and the land value on which the building is located (not to exceed two acres)-located; the land shall not exceed two acres. The lease shall be for all activities conducted therein on the leased premises, including the playing of bingo for a period of not less than one year-year, and the leased premises shall be actually occupied and used by that organization on a regular basis for purposes other than bingo for at least six months before the game; and all first game. All~~ equipment used by the exempt organization in conducting the bingo game ~~must-shall~~ be owned by the organization. Unless the exempt organization leases the property in accordance with this subsection, an exempt organization may conduct a bingo game only in or on property that is exempt from property taxes levied under Subchapter II of Chapter 105 of the General Statutes, or that is classified and not subject to any property taxes levied under Subchapter II of Chapter 105 of the General Statutes. It ~~shall be-is~~ unlawful for any person to operate beach bingo games at a location ~~which-that~~ is being used by any licensed exempt organization for the purpose of conducting bingo games.

(d) Conduct of a bingo game or raffle ~~under-in accordance with~~ this Part ~~on such property shall does~~ not operate to defeat an exemption or classification under Subchapter II of Chapter 105 of the General Statutes.

(e) An exempt organization that wants to conduct only an annual or semiannual bingo game may apply to the State Bureau of Investigation for a limited occasion permit. The ~~State Bureau of Investigation~~ may require ~~such-any~~ information ~~as is reasonable and~~ necessary to determine that the bingo game is conducted in accordance with ~~the provisions of this Part but Part. The Bureau may shall~~ not require more information ~~than previously specified in this section for application of a regular license. for a limited occasion permit than it requires for a license under this section~~. The application shall be made to the Bureau on prescribed forms at least 30 days prior to the scheduled date of the bingo game. In lieu of the reporting requirements of ~~G.S. 14-309.11(b)-G.S. 14-309.11(b)~~, the exempt organization shall file with the ~~licensing agency-Bureau~~ and local law-enforcement a report on prescribed forms no later than 30 days following ~~the conduct of~~ the bingo game for which the permit was obtained. ~~Such-report-The forms~~ may require ~~such-any~~ information ~~as is reasonable and~~ necessary to determine that the bingo game was conducted in accordance with ~~the provisions of this Part but this Part. The forms may shall~~ not require more information than specified in G.S. 14-309.11(b). Any licensed exempt

1 organization may donate or loan its equipment or use of its premises to an exempt organization
2 ~~which that~~ has secured a limited occasion permit ~~provided such as long as the~~ arrangement is
3 disclosed in the limited occasion permit application and is approved by the ~~State Bureau of~~
4 ~~Investigation Bureau~~. Except as ~~stated above, provided in this subsection~~, all provisions of this
5 Part ~~shall~~ apply to ~~any an~~ exempt organization operating a bingo game under this
6 ~~provision subsection~~."

7 **SECTION 2.** This act becomes effective October 1, 2020, and applies to applications
8 submitted on or after that date.